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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission

Washington, D.C. 20554

In re Applications of)	MM DOCKET NO. 93-300
STEPHEN O. MEREDITH)	File No. BPH-920430MD
AL HAZELTON)	File No. BPH-920430ME
For a Construction Permit for)	
a New FM Station on Channel 243C1)	
at Audubon, Iowa)	

To: Honorable John M. Frysiak
Administrative Law Judge

OPPOSITION TO PETITION TO ENLARGE ISSUES

Stephen O. Meredith ("Mr. Meredith"), by and through counsel, and pursuant to §1.294(c) of the rules, hereby submits his Opposition to the "Petition To Enlarge Issues," filed against him by Al Hazelton ("Hazelton") in the above-captioned proceeding. Hazelton's Petition should be denied. In connection therewith, the following is shown:¹

Background

1. Mr. Meredith filed his application on April 30, 1992. At the time he filed his application, Mr. Meredith was relying on two sources to fund the required \$375,000 he estimated he would need to build and operate the new station for 3 months. (See Exhibit A, page 7 of Mr. Meredith's application). Mr. Meredith

¹ Meredith's Opposition is timely-filed. Time for responding was extended to February 18, 1994. See, Order, FCC 94M-70, released February 14, 1994.

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listed "O.A. Meredith, Inc.," ("OAM") as a source for \$325,000.² Mr. Meredith listed his father, Owen A. Meredith, as the contact for this source and noted that OAM was a "Corporation owned by Applicant's Family." Mr. Meredith also listed himself as a source for \$100,000.

2. In order to comply with the Commission's requirements concerning financial commitments from outside sources, Mr. Meredith obtained a letter, dated April 29, 1992, from OAM signed by his father, Owen A. Meredith, then President of OAM. See Exhibit B. This letter was addressed to "Stephen O. Meredith" and stated: "...the Lender (OAM)...is pleased to commit to lend you up to \$325,000, upon the terms and conditions set forth below, for the purpose of constructing and operating an FM radio station licensed to Audubon, Iowa...." The letter stated further that it was being supplied "to demonstrate to the Federal Communications Commission that you have reasonable assurance of the availability of a loan from the Lender." Finally, the letter identified the purpose of the loan, included specific financing terms (five year repayment; amortization on a straightline basis beginning at the end of one; interest rate of prime plus 3 percent, etc.), listed collateral and noted that Mr. Meredith had discussed his business plan and financial information with the Lender. See, Scioto

² O.A. Meredith, Inc., is a family-owned, farm product supply company based in Atlantic, Iowa, the applicant's home town. On the date Mr. Meredith's application was filed, the ownership of the company was comprised of Owen A. Meredith, President (35.3 percent), Catherine Meredith, Vice President (35.3 percent), Stephen Meredith (9.8 percent), Patricia Meredith (9.8 percent) and Pamela Meredith (9.8 percent).

Broadcasters, L.P., 5 FCC Rcd 5158, 5161 (Rev. Bd. 1990).

3. Most importantly, the April 29th Letter stated: "The Lender hereby certifies that it has liquid and current assets in an amount sufficient to meet current liabilities and that it has additional sufficient net liquid assets to meet the commitment described above." Attached to the April 29th Letter was a copy of OAM's most recent Balance Sheet and Income Statement. This Balance Sheet was dated "December 31," and included references to financial data from 1990 and 1991. Mr. Meredith also received a "Certificate" dated April 29, 1992, of Owen A. Meredith, in which Owen Meredith stated that "the financial statements attached hereto are true and correct in all material respects and that, since December 31, 1991 there has been no material adverse change in the financial condition of the undersigned." Id.

4. OAM's December 31, 1991, Balance Sheet showed "TOTAL CURRENT ASSETS" of \$810,710.44. This included "Cash on Hand" of \$333.93, "Cash in Bank-Special Savings" of \$100,933.87 and "Invested Funds" of \$430,191.26, for total Net Liquid Assets of \$531,459.06. The corporation's entire liabilities totalled just \$85,843.18. To demonstrate the values of the corporation's various securities, at the time he filed his application, Mr. Meredith also obtained a listing of each of the corporation's invested funds. This listing showed the values of each of the corporation's stock securities on or about either March 31, 1992, or April 24, 1992, based upon data received from various stock exchanges or brokers. The total value of the corporation's cash and securities for that time period (prior to Mr. Meredith filing

his application) was \$475,301.50.

Meredith's Financial Certification Was Valid

5. Hazelton alleges (a) that the commitment obtained from the Meredith family-owned business was not adequate, and (b) that the death of Owen Meredith, the corporation's President, 35.3 percent stockholder and the applicant's father, may somehow affect the corporation's previous financial commitment. As is shown herein, neither of these allegations are correct, and Mr. Meredith remains financially qualified.

The OAM Commitment

6. When, as here, an applicant is relying on a third party lender for his proposed radio station funding, and that lender is not a recognized financial or lending institution, the applicant must take an extra step to ensure that the proposed lender has sufficient net liquid assets to meet its financial commitment. See Petition at p. 2, citing, Bennett Gilbert Gaines, Interloctory Receiver for Magic 680, Inc., 72 RR 2d 170, 177 (Rev. Bd. 1993). As the attached evidence demonstrates, Mr. Meredith took the necessary steps to verify that OAM possessed sufficient net liquid assets at the time OAM made its commitment. The Balance Sheet and other financial information supplied by OAM show a company that was financially solvent and that maintained a positive net worth in excess of its proposed financial commitment. See Exhibit B. More importantly, it should be noted that Mr. Meredith was relying on a financial commitment from his own family business. Therefore, unlike many applicants that receive financial commitments from third party lenders with whom they previously

have not done business, Mr. Meredith was intimately familiar with the source of his funding since he was a family member and 9.8 percent stockholder in OAM. This familiarity gave Mr. Meredith greater insight and a higher level of information than most applicants would have on their proposed funding source. Therefore, it would be incorrect to conclude, that Mr. Meredith was unaware of OAM's present financial condition at the time he filed his application.

7. Hazelton argues further that the documents supplied by OAM to Mr. Meredith were not sufficient to demonstrate the company's present financial condition, and that OAM's Balance Sheet was not dated. Petition at pp. 2-3. While the Balance Sheet that Mr. Meredith relied upon to make his financial certification is simply dated "December 31," it is obvious from this document that it was generated for the period ending December 31, 1991. See Exhibit A. This fact can easily be discerned from the four corners of the document. Furthermore, the document was being supplied to Stephen Meredith, a family member and corporate stockholder who OAM's financial statement and understood the pertinent date.

8. Hazelton also contends that the December 31, 1991, Balance Sheet was not sufficiently contemporaneous to support Meredith's financial certification. Petition at pp. 3-4. Hazelton apparently believes that Mr. Meredith should have demanded a certified financial statement in April 1992, from his family. Id. Such a position is unreasonable, and not supported by Commission policy. See, "Instructions to FCC Form 301

(February 1992 version)" at page 7. Some closely held corporations like OAM only produce financial information on a yearly basis. In this case, Mr. Meredith obtained a copy of the corporation's most recent financial documents. These documents supported the corporation's financial commitment and Meredith had no reason to question them.³ Mr. Meredith even went one step further and had his father sign a statement certifying that there had been no material changes to the company's assets during the four month period since the time the last Balance Sheet was generated.⁴ See Exhibit A. As these facts demonstrate, Mr. Meredith did all that the Commission requires of applicants - he verified that his proposed lender had sufficient assets prior to making his financial certification.⁵ See, "Instructions to FCC

³ Hazelton states that, without such documentation, a lender's financial position could change without an applicant knowing it. However, as the evidence produced by Mr. Meredith shows, such was not the case here. OAM's financial position actually improved during the past three years. For example, in 1990, OAM had a net worth of approximately \$666,291 (assets of \$811,939 and liabilities of \$145,648); in 1991, OAM had a net worth of \$724,867 (assets of \$827,585 and liabilities of \$85,843); and in 1992, OAM had a net worth of \$846,516 (assets of \$1,087,083 and liabilities of \$228,756). See Exhibits B & C.

⁴ Hazelton calls this statement "self-serving" but he offers not a single shred of evidence to rebut it. In support of Meredith's position, he has produced the corporation's balance Sheets for three years - 1990 to 1992. See Exhibits B & C. These documents show that OAM continues to be financially solvent, and maintains an ever growing positive net worth.

⁵ Hazelton speculates that OAM is a company that is used to having a large cash reserve and that it will probably never follow through on its commitment to Mr. Meredith. However, Mr. Meredith has a commitment in writing from the corporation and Hazelton has failed to rebut this showing, other than to base his argument on speculation. Speculation cannot be the basis for a Motion to Enlarge. See, Kate F. Thomas, 8 FCC Rcd 7630 (Rev. Bd. 1993). Further, contrary to Hazelton's beliefs, OAM is not

Form 301 (February 1992 version)" at page 7; and Northampton Media Associates, 4 FCC Rcd 5517 (1989); aff'd, 941 F. 2d 1214 (D.C. Cir 1991).

9. Finally, Hazelton asserts that OAM does not have sufficient liquid assets to meet its commitment. Petition at p. 5. On the contrary, during the past three years, OAM has continued to maintain liquid assets in excess of its commitment to Mr. Meredith. See Exhibits B & C and footnote 3. Hazelton argues that OAM's municipal bond investments are not readily marketable and should not be counted as "liquid" assets, but he offers no supporting evidence of his contention. Hazelton notes that OAM's municipal bond investments comprised only \$47,743 of the total value of OAM's stock portfolio in 1991. Even if these assets were to be discounted, this would still leave OAM, at the time Mr. Meredith filed his application, with liquid assets of more than \$400,000, which was in excess of its stated \$325,000 commitment.⁶ See Exhibit B. Therefore, Hazelton has failed to raise an issue

subject to lending limits traditionally imposed upon regulated financial institutions. As a for-profit corporation, OAM is free to pick and choose its investments and potential borrowers, especially when one is a close family member.

⁶ Hazelton claims to have had some difficulty matching the figures included on OAM's separate listing of assets with the Client Statements provided by OAM's brokers. Petition at p. 6. However, a careful examination of these documents shows a perfect match in each case. For example, the asset listing shows a market value of \$10,657.00 for OAM's "Amex Govt Money Mkt" account. See Exhibit B. The attached Client Statement from Shearson Lehman Brothers shows a market value of \$10,657.16. Id. The asset listing shows a market value of \$27,565.50 and \$10,178.00 for OAM's two Puerto Rican Bond funds. Id. The attached Client Statement for these investments shows market values of \$27,565.50 and \$10,177.60. Id.

of decisional significance with respect to Mr. Meredith's financial commitment from OAM. Hazelton's Petition to Enlarge should be denied.

The Death of Owen A. Meredith

10. Owen A. Meredith, the former President and 35.3 percent stockholder of OAM, passed away on January 21, 1994. Four days later, in an incredible display of callousness, Hazelton filed his Petition to Enlarge hoping to capitalize on the Meredith family's personal loss. In a wholly-unsupported and unfounded portion of his Petition To Enlarge, Hazelton speculates as to the possible effect such a loss may have on OAM's financial commitment to Meredith. However, as is shown herein, Owen Meredith's passing will have absolutely no effect on the corporation's previous financial commitment.

11. In an effort to conclusively answer the series of questions raised by Hazelton in his Petition, Mr. Meredith has obtained two letters, one from OAM's Vice President, Catherine E. Meredith (Mr. Meredith's mother) and one from the attorney handling the Estate of Owen A. Meredith. See Exhibits D and E. In her letter, dated February 13, 1994, written on behalf of the corporation, Catherine Meredith affirms OAM's commitment to Mr. Meredith. See Exhibit D. Mrs. Meredith specifically states that: "This is to advise you that the Commitment Letter (of April 29, 1992) remains in full force and effect in all respects, and the Lender's (OAM) willingness and ability to provide the financing contemplated...has in no way been affected by the death of Owen A. Meredith." Answering one of Hazelton's speculative charges, Mrs.

Meredith states: "The Lender (OAM) is not required to make any distributions to the estate of Owen A. Meredith to pay any estate taxes or otherwise." This statement is supported by the letter, dated February 14, 1994, of estate attorney Ronald W. Feilmeyer, wherein he reiterates Mrs. Meredith's statement that "there will be no Federal Estate tax due from Mr. Meredith's estate.

Therefore, I am not aware of any reason why the death of Mr. Meredith should result in the need for O.A. Meredith, Inc. to make distributions to his estate." Exhibit E.

12. Finally, in her letter, Mrs. Meredith states: "...the Lender continues to have liquid current assets in an amount sufficient to meet current liabilities and additional net liquid assets to meet the commitment in the Commitment Letter."⁷ Exhibit D. As these letters conclusively show, the death of Owen Meredith has had no effect on the corporation or its continued financial commitment to Mr. Meredith. Once again, Hazelton has failed to raise a substantial and material question of fact to warrant the addition of issues in this case. See §1.229(d) of the rules.

Conclusion

13. Hazelton has attempted to patch together a series of speculative arguments and personal opinions to support the

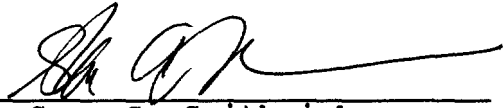
⁷ Mrs. Meredith attached the corporation's most recent Balance Sheet of December 31, 1992, to her letter. This Balance Sheet is contained in Exhibit C.

addition of financial issues against Mr. Meredith.⁸ The Commission's rules and policies demand a prima facie showing, much greater than what Hazelton has done. In the face of Hazelton's guesswork stands Mr. Meredith's unrebutted and conclusive evidentiary showing detailed in the attached Exhibits. There can be but one conclusion - that Hazelton's arguments are misplaced, and that the addition of financial issues is unwarranted in this proceeding.

WHEREFORE, the above premises considered, Stephen O. Meredith respectfully requests that Al Hazelton's Petition to Enlarge Issues be **DENIED**.

Respectfully submitted,

STEPHEN O. MEREDITH

By: 
Gary S. Smithwick
Shaun A. Maher

His Attorneys

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February 18, 1994

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⁸ Hazelton's petition is not supported by affidavits of person's having personal knowledge, as required by § 1.229 (d) of the rules.

EXHIBIT A

SECTION III - FINANCIAL QUALIFICATIONS

NOTE If this application is for a change in an operating facility do not fill out this section.

1. The applicant certifies that sufficient net liquid assets are on hand or that sufficient funds are available from committed sources to construct and operate the requested facilities for three months without revenue.

☒ Yes ☐ No

2. State the total funds you estimate are necessary to construct and operate the requested facility for three months without revenue.

\$ 375,000

3. Identify each source of funds, including the name, address, and telephone number of the source (and a contact person if the source is an entity), the relationship (if any) of the source to the applicant, and the amount of funds to be supplied by each source.

Source of Funds (Name and Address)	Telephone Number	Relationship	Amount
Stephen O. Meredith 85 Glen Cross Road Wellesley, MA 02181	617-235-3433	Applicant	\$100,000
O.A. Meredith, Inc. 200 Chestnut Street Atlantic, Iowa 50022 Contact: Owen A. Meredith	712-243-3789	Corporation owned by Applicant's Family	\$325,000

EXHIBIT B

April 29, 1992

Stephen O. Meredith
85 Glen Cross Road
Wellesley, MA 02181

Dear Steve:

The undersigned (the "Lender") is pleased to commit to lend you up to \$325,000, upon the terms and conditions set forth below, for the purpose of constructing and operating an FM radio station licensed to Audubon, Iowa and owned by you (the "Station"). Additionally, this letter is to demonstrate to the Federal Communications Commission that you have reasonable assurance of the availability of a loan from the Lender in connection with your financial plan for the Station.

The loan would be for a term of five years and would amortize quarterly on a straight line basis beginning at the end of year one. The loan would bear interest at prime plus 3% per annum, payable monthly in arrears commencing at the end of year one.

The loan would be a personal obligation of yours and would be secured by all assets of, and ownership interests in, the Station (subject to any applicable FCC restrictions on granting security interests in FCC licenses). As you know, the Lender is owned by your family members and is making this commitment to you, in part, because you are a member of the family. The Lender is also making this commitment to you because we have discussed your business plans and financial information, and find them adequate to support a loan of this type.

The loan would be made pursuant to a loan agreement containing representations, warranties, affirmative covenants, negative covenants, financial covenants and other provisions appropriate to a transaction of this type.

The Lender hereby certifies that it has liquid and current assets in an amount sufficient to meet current liabilities and that it has additional sufficient net liquid assets to meet the commitment described above. A copy of the Lender's most current balance sheet and financial statement is enclosed. No material adverse change has occurred to date in the items described in the balance sheet and financial statement.

Very truly yours,

O.A. MEREDITH, INC.

By 
Owen A. Meredith, President

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Certificate

The undersigned hereby certifies that the financial statements attached hereto are true and correct in all material respects and that, since December 31, 1991 there has been no material adverse change in the financial condition of the undersigned.

Dated: April 29, 1992

O.A. MEREDITH, INC.

By 

Owen A. Meredith, President

O. A. MEREDITH INC.,
COMPARATIVE BALANCE SHEETS
December 31,

<u>ASSETS</u>		1991	1990
<u>CURRENT ASSETS</u>			
Cash on Hand		333.93	18,707.41
Cash in Bank		(1,028.81)	(9,125.62)
Cash in Bank-Special Savings		100,933.87	100,100.64
Invested Funds		430,191.26	431,265.50
Accounts Receivable		1,562.09	4,044.54
Inventory		274,285.83	243,911.69
Prepaid Expense		4,426.27	4,426.27
Accounts Receivable- Officer		-	5,779.69
Interest Receivable		-	120.00
TOTAL CURRENT ASSETS		810,710.44	799,230.12
<u>EQUIPMENT AND VEHICLES</u>			
Equipment and Vehicles		152,449.07	143,149.07
Less: Accumulated Depreciation		135,573.62	130,439.21
TOTAL EQUIPMENT AND VEHICLES		16,875.45	12,709.86
TOTAL ASSETS		827,585.89	811,939.98
<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable		5,787.01	7,404.46
Accrued Expenses		2,717.32	9,356.47
Accrued Payroll		54,302.92	124,196.05
Accrued Payroll Taxes		3,977.16	3,953.28
State Sales Tax Payable		446.87	737.80
Amount Due Officer		18,611.90	-
TOTAL CURRENT LIABILITIES		85,843.18	145,648.06
<u>STOCKHOLDERS EQUITY</u>			
Common Stock		5,000.00	5,000.00
Retained Earnings		516,520.42	516,520.42
Shareholders Undistributed Earnings-Beginning		144,771.50	53,969.61
Distributions During Year		(9,463.38)	-
Net Income-Current Year		84,914.17	90,801.89
Shareholders Undistributed Earnings-End of Year		220,222.29	144,771.50
TOTAL STOCKHOLDERS EQUITY		741,742.71	666,291.92
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY		827,585.89	811,939.98

SHAREHOLDERS UNDISTRIBUTED EARNINGS

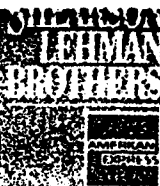
Percentage of Ownership	Name	Undistributed Earnings Begin. Year	Distribution During Year	Current Year Earnings	Undisbributed Earnings End of Year
35.3	Owen	62,922.38		29,974.70	92,897.08
35.3	Catherine	62,922.37		29,974.70	92,897.07
9.8	Stephen	6,308.92	3,154.46	8,321.59	11,476.05
9.8	Patricia	6,308.92	3,154.46	8,321.59	11,476.05
9.8	Pamela	6,308.91	3,154.46	8,321.59	11,476.04
100.0		144,771.50	9,463.38	84,917.17	220,222.29

O. A. MEREDITH INC.,
COMPARATIVE INCOME STATEMENT
Years Ending December 31,

	1991		1990	
SALES				
Retail (Taxable)	326,860.56	35.49	370,927.99	32.88
Retail (non-Tax)	610,261.10	66.25	764,774.63	67.80
TOTAL SALES	937,121.66	101.74	1,135,702.62	100.68
Less:Returns-Disc.	16,032.34	1.74	7,680.23	.68
NET SALES	921,089.32	100.00	1,128,022.39	100.00
COST OF SALES				
Beginning Inventory	243,911.69		204,476.43	
Purchases (Net)	692,885.10		812,967.92	
	936,796.79		1,017,444.35	
Less:Ending Inventory	274,285.83		243,911.69	
COST OF SALES	662,510.96	71.93	773,532.66	68.57
GROSS PROFIT	258,578.36	28.07	354,489.73	31.43
OPERATING EXPENSES				
Officer's Salary	10,000.00		10,000.00	
Other Salaries	104,301.49		174,565.40	
Payroll Taxes	10,735.72		9,883.59	
Rent	21,800.00		20,300.00	
Freight	4,357.87		8,070.87	
Bldg. Maintenance	1,814.14		2,799.70	
Advertising	10,943.26		10,054.63	
Sales Promotion	4,261.00		3,606.69	
Vehicle Repair	2,541.87		3,875.62	
Gasoline & Oil	6,129.50		7,375.55	
Depreciation Expense	5,134.41		4,204.44	
Professional Service	400.00		325.00	
Office Supplies	2,652.84		2,827.62	
Utilities	4,153.37		3,901.00	
Insurance	13,600.64		18,346.47	
Dues-Subscriptions	1,115.95		1,488.07	
Contributions	781.50		2,695.00	
Outside Labor	545.00		986.00	
Telephone	1,379.98		1,040.96	
Postage	718.97		658.72	
Small Tools-Supplies	1,423.77		618.98	
Licenses	1,992.00		1,048.00	
Bad Debts	2,427.84		6,254.93	
Other Expense	427.13		108.38	
Interest Expense	-		6,235.77	
TOTAL EXPENSES	213,638.25	23.19	301,271.39	26.71
OPERATING INCOME	44,940.11	4.88	53,218.34	4.72
OTHER INCOME				
Interest Income	36,586.82		37,829.18	
Capital Gain (Loss)	995.17		(275.63)	
Bad Debts Recovered	2,392.07		-	
Other Income	-		30.00	
TOTAL OTHER INCOME	39,974.06	4.34	37,583.55	3.33
NET INCOME	84,914.17	9.22	90,801.89	8.05

O. A. Meredith Incorporated

<u>Description of</u> <u>Cash or Equivalents</u>	<u>Value</u>	<u>Source of</u> <u>Valuation</u>	<u>Date of</u> <u>Valuation</u>	<u>Exchange</u>
Norwest Bank Money Market	\$101,902.00	cash	3/31/92	NA
102 U.S. Ty Notes, 1/15/99	\$97,073.00	Wall ST Journal	4/24/92	OTC
50 U.S. Ty notes, 7/15/94	\$52,510.00	Wall ST Journal	4/24/92	OTC
50 U.S. Ty Notes, 11/15/00	\$52,630.00	Wall ST. Journal	4/24/92	OTC
1500 Am Govt Term Trust	\$15,563.00	Wall ST Journal	4/24/92	NYSE
400 Old Republic Preferred	\$10,300.00	Wall St. Journal	4/24/92	NYSE
Paine Webber Govt Money Mkt	\$91,923.00	P/W Statement	3/31/92	See
Amex Govt Money Mkt	\$10,657.00	Shearson Stmtnt	3/31/92	Photocopies
Puerto Rico Municipals	\$27,565.50	Shearson Stmtnt	3/31/92	Of
Puerto Rico Municipals	\$10,178.00	Shearson Stmtnt	3/31/92	Statements
Northumberland Municipals	<u>\$5,000.00</u>	Shearson Stmtnt	3/31/92	Attached
Total	\$475,301.50			



Client Statement

March 1 - March 29, 1992

Ref: 00001938 00014052

OIA MEREDITH INC

Account number 461-01093-18 020

Bonds

Some bond values provided by outside pricing services may be inaccurate. They are provided only as a guide to determining portfolio value. For more specific values, please call your Financial Consultant.

Municipal bonds	Amount	Interest rate	Maturity date	Price	Anticipated income (annualized)	Market value	Comment
PUERTO RICO CTF PARTN HLTH FAC SVCS ADMIN U/C INDL BK JAPAN RG-DTD10/15/84-ESCROWED TO MTY	\$ 25,000.00	9.125%	08/15/94	110.262	\$ 2,281.25	\$ 27,565.50	Rated AA
PUERTO RICO COMNWLTH PUB IMPT & NEW MONEY SER B-MBIA-BK ENTRY DTD 4/1/87 F/C 7/1/87	10,000.00	6.75	07/01/06	101.776	675.00	10,177.60	Callable** on 07/01/97 Call price \$ 102.00 Rated AAA/AAA
NORTHUMBERLND CO PA IDA F/F RT 7D/ADJ-R/R RV-A-LC U/B SWTZ-RG AMT*LEHMAN AS AGENT*D9/4/87	5,000.00	Floating	02/01/10	100.00		5,000.00	Int paid monthly Rated VMIG1
Total value of bonds	\$ 40,000.00				\$ 2,956.25	\$ 42,743.10	

**This bond may be subject to other call provisions. Please contact your Financial Consultant for further information.

Earnings details

The tax status of earnings is reliable to the best of our knowledge. Taxable and non-taxable designations refer to the federal income tax status of your securities, not of your account.

Interest credited

Date	Description	Taxable	Non-taxable	Comment	Amount
03/04/92	NORTHUMBERLND CO PA IDA F/F RT 7D/ADJ-R/R RV-A-LC U/B SWTZ-RG AMT*LEHMAN AS AGENT*D9/4/87 DUE 02/01/2010 RATE 3.000 REG INT ON 5000 BND RECORD 03/03/92 PAY 03/04/92		\$ 11.28		\$ 11.28
Total interest earned		\$ 0.00	\$ 11.28		\$ 11.28

LEHMAN
BROTHERS



Client Statement

March 1 - March 29, 1992

Ref: 00001936 00014081

OIA MEREDITH INC

Account number 461-01093-18 020

Combined cash and money funds balance

Combined opening cash and money funds balance			\$ 10,842.69
	Amounts added	Amounts subtracted	
Interest credited	11.28		
Money funds earnings reinvested	29.47		
Total	\$ 40.75	\$ 0.00	
Combined closing cash and money funds balance			\$ 10,883.44

Cash	28.28
Money funds	10,657.16

Portfolio details

This section shows the holdings in your account. It reflects values as of the close of business on 03/27/92.

Money funds

Description	No. of shares	Market value	Accrued dividends	Average monthly yield	Comment
AMERICAN EXPRESS® GOVERNMENT AND AGENCIES FUND	10,657.16	\$ 10,657.16	\$ 15.30	3.786%	
Total value of money funds		\$ 10,657.16	\$ 15.30		

Stocks

Common stocks	Exchange	No. of shares	Price	Yield	Anticipated income (annualized)	Market value	Comment
FEDERAL NATIONAL MORTGAGE ASSN	NYSE	50	63.625	1.886	60.00	3,181.25	Symbol: FNM Rated: B+
Total value of stocks					\$ 60.00	\$ 3,181.25	

March 1992

Account Number AV 03289 03
Your Investment Executive
TURNER, LAWRENCE
712 243-5500

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PaineWebber
Resource Management Account Statement

PZ2L024634-X13

Asset portfolio

When available, prices, income and current values may be approximate and thus gains/losses may not be accurately reflected. Details on back. An asterisk (*) indicates a change in the original transaction data from the prior month or the display of new data input at your branch office. Contact your Investment Executive for additional information or if you have any questions.

Money funds

Description	Opening balance	Closing balance	Closing share price	Average yield	Dividend period	Days in period
RMA GOVERNMENT PORTFOLIO	74,204.87	91,922.77	1.00	3.78%	02/20 - 03/18	28
Total	\$	91,922.77				

U.S. Government securities

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values. Actual market values may vary and thus gains/losses may not be accurately reflected.

Coupon governments

Total face value at maturity	Description	Price	Current value	Est. annual income	Trade date	Face value purchased	Purchase price	Cost basis	Unrealized gain/loss
50,000	U S TREASURY NOTE RATE 8.0000% MATURES 07/15/94 DATED DATE 07/06/87	104.625	52,312.50	4,000		50,000	-----This information was unavailable-----		
50,000	U S TREASURY NOTE RATE 8.5000% MATURES 11/15/00 DATED DATE 11/15/90	105.875	52,937.50	4,250	11/30/90	50,000	102.099	51,051	1,887
100,000	Total	\$	105,250.00	8,250					

EXHIBIT C

O. A. Meredith, Inc.
Re: M. S. C.

O. A. MEREDITH, INC.,
 COMPARATIVE BALANCE SHEETS
 December 31,

<u>ASSETS</u>		1992	1991
<u>CURRENT ASSETS</u>			
Cash on Hand		1,562.84	339.93
Cash in Bank		(2,065.49)	(1,028.81)
Cash in Bank-Special Savings		99,285.04	100,933.87
Invested Funds		754,663.66	430,191.26
Accounts Receivable		23,833.06	1,562.09
Inventory		194,566.83	274,285.83
Prepaid Expense		4,426.27	4,426.27
TOTAL CURRENT ASSETS		1,076,272.21	810,710.44
<u>EQUIPMENT AND VEHICLES</u>			
Equipment & Vehicles		152,449.07	152,449.07
Less: Accumulated Depreciation		141,638.06	135,573.62
TOTAL EQUIPMENT AND VEHICLES		10,811.01	16,875.45
TOTAL ASSETS		<u>1,087,083.22</u>	<u>827,585.89</u>
<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable		50,155.80	5,787.01
Accrued Expenses		4,000.00	2,717.32
Accrued Payroll		120,000.00	54,302.92
Payroll Taxes Payable		1,107.23	3,977.16
State Sales Tax Payable		366.57	446.87
Amount Due Officer		40,431.90	18,611.90
Customer Deposit-Mdse Purchased		12,695.00	-
TOTAL CURRENT LIABILITIES		228,756.50	85,843.18
<u>STOCKHOLDERS EQUITY</u>			
Common Stock		5,000.00	5,000.00
Retained Earnings		516,520.42	516,520.42
Shareholders Undistributed Earnings-Beginning		220,222.29	144,771.50
Earnings-Current Year		129,066.41	84,914.17
Distributions Made During Year		(12,482.40)	(9,463.38)
Total Shareholders Undistributed Earnings-End		336,806.30	220,222.29
TOTAL STOCKHOLDERS EQUITY		858,326.72	741,742.71
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY		<u>1,087,083.22</u>	<u>827,585.89</u>

<u>SHAREHOLDERS UNDISTRIBUTED EARNINGS</u>					
Percentage of Ownership	Name	Undistributed Earnings Begin. Year	Distribution During Year	Current Year Earnings	Undistributed Earnings End of Year
31.28	Owen	92,897.08	-	40,371.97	133,269.05
31.28	Catherine	92,897.07	-	40,371.97	133,269.04
12.48	Stephen	11,476.05	4,160.80	16,107.49	23,422.74
12.48	Patricia	11,476.05	4,160.80	16,107.49	23,422.74
12.48	Pamela	11,476.04	4,160.80	16,107.49	23,422.73
100.00		220,222.29	12,482.40	129,066.41	336,806.30

O. A. Meredith, Inc
Re: Misc

O. A. MEREDITH INC.,
COMPARATIVE BALANCE SHEETS
December 31,

<u>ASSETS</u>		1992	1991
<u>CURRENT ASSETS</u>			
Cash on Hand		1,562.84	339.93
Cash in Bank		(2,065.49)	(1,028.81)
Cash in Bank-Special Savings		99,285.04	100,933.87
Invested Funds		754,663.66	430,191.26
Accounts Receivable		23,833.06	1,562.09
Inventory		194,566.83	274,285.83
Prepaid Expense		4,426.27	4,426.27
TOTAL CURRENT ASSETS		1,076,272.21	810,710.44
<u>EQUIPMENT AND VEHICLES</u>			
Equipment & Vehicles		152,449.07	152,449.07
Less: Accumulated Depreciation		141,638.06	135,573.62
TOTAL EQUIPMENT AND VEHICLES		10,811.01	16,875.45
TOTAL ASSETS		1,087,083.22	827,585.89
<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable		50,155.80	5,787.01
Accrued Expenses		4,000.00	2,717.32
Accrued Payroll		120,000.00	54,302.92
Payroll Taxes Payable		1,107.23	3,977.16
State Sales Tax Payable		366.57	446.87
Amount Due Officer		40,431.90	18,611.90
Customer Deposit-Mdse Purchased		12,695.00	-
TOTAL CURRENT LIABILITIES		228,756.50	85,843.18
<u>STOCKHOLDERS EQUITY</u>			
Common Stock		5,000.00	5,000.00
Retained Earnings		516,520.42	516,520.42
Shareholders Undistributed Earnings-Beginning		220,222.29	144,771.50
Earnings-Current Year		129,066.41	84,914.17
Distributions Made During Year		(12,482.40)	(9,463.38)
Total Shareholders Undistributed Earnings-End		336,806.30	220,222.29
TOTAL STOCKHOLDERS EQUITY		858,326.72	741,742.71
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY		1,087,083.22	827,585.89

<u>SHAREHOLDERS UNDISTRIBUTED EARNINGS</u>					
Percentage of Ownership	Name	Undistributed Earnings Begin. Year	Distribution During Year	Current Year Earnings	Undistributed Earnings End of Year
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12.48	Patricia	11,476.05	4,160.80	16,107.49	23,422.74
12.48	Pamela	11,476.04	4,160.80	16,107.49	23,422.73
100.00		220,222.29	12,482.40	129,066.41	336,806.30

April 1992

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PAINEWEBBER INC.
301 CHESTNUT STREET
P. O. BOX 386
ATLANTIC, IA 50022-0386
PZZ1023023-K13 - 0482 - AV - 0

Invested assets \$ 251,545.01
Net account value on April 30 \$ 251,545.01
Net account value on March 31 \$ 197,172.77*
* Excluding unpriced assets.

Account Number AV 03289 03
Tax Identification Number 42-1015218

Your Investment Executive
TURNER, LAWRENCE 712-243-0000

Activity summary

Account value on March 31 \$ 197,172.77
Cash flow
Earnings / capital return + 255.23
Deposits + 53,000.00
Security transactions (Excluding PaineWebber Money fund dividends) + 100.00
Change in value of investments + 100.00
Account value on April 30 \$ 251,545.01

Earnings and capital return summary

Earnings/capital return categories are for the current calendar year. All prior year returns are summarized separately.
This information should not be used for tax purposes. See back for details.

	Year-to-date
PaineWebber Money fund dividends	897.48
Interest	2,000.00
Prior year(s) earnings and capital return	236.10
Total earnings / capital return	3,227.58

Asset summary

See reverse side for details on assets held for this summary.

	Value
Money funds	146,186.01
U.S. Government securities	105,359.00
Total invested assets	\$ 251,545.01
Net account value	\$ 251,545.01

Asset performance

When available, prices, income and capital return may be approximate and thus gains/losses may not be accurately reflected. Details on back. An asterisk (*) indicates a change in the original transaction data from the prior month.

Money funds

Description	Current balance	Current share price	Average yield	Dividend period	Days in period
RMA GOVERNMENT	\$1,000.00	1.00	3.72%	03/19 - 04/15	28

Continued on page 2

April/ AV 03289 03

O A MEREDITH INC
D/B/A LLOYD & MEREDITH
202 CHESTNUT
ATLANTIC IA 50022-1061

Bulletin Board

A MOVE FROM 6 MONTH MATURITIES TO 5 YEAR MATURITIES MAY GIVE YOU 70% MORE INCOME. TALK TO YOUR PAINEWEBBER INVESTMENT EXECUTIVE TODAY ABOUT EXTENDING MATURITIES.
RESOURCELINE 1-800-RMA-2000: ACCOUNT #522003289
FOR AN RMA REPRESENTATIVE CALL 1-800-RMA-1000.